

Date: June 10, 1998

To: Nursing Homes
Facilities for the Developmentally Disabled
Hospitals
Home Health Agencies
Hospices
Community Based Residential Care Facilities
Adult Family Homes

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NH-14
FDD-09
HOSP - 08
HHA - 09
HSPCE - 07
CBRF - 07
AFH - 03

From: Judy Fryback, Director
Bureau of Quality Assurance

Nonexpiring Regular License

The purpose of this memo is to inform you of the progress made by the Bureau of Quality Assurance in implementing the provisions of 1997 Wisconsin Act 27 that repealed the renewal requirements for licenses issued to certain health care providers regulated under Chapter 50, Wisconsin Statutes.

As a result of this legislative change, the Bureau of Quality Assurance has discontinued the reissuance process for nursing homes, facilities for the developmentally disabled, home health agencies, hospices, community based residential facilities and adult family homes. The legislation has made significant changes to the licensing process for these providers and also affects hospitals. This memorandum is to update you on these changes.

Nursing Homes and Facilities for the Developmentally Disabled

Pursuant to revised s. 50.03(4)(c)2, Wis. Stats., regular licenses for nursing homes and facilities for the developmentally disabled (FDD) remain valid until revoked or suspended. Every twelve months, on a schedule determined by the Department of Health and Family Services (Department), all nursing homes and FDDs will be required to submit an annual report along with their annual licensing fee. Failure by a facility to submit this report and fee in accordance with the specified schedule, may subject the facility to license revocation.

Beginning in April 1998, facilities with an existing license scheduled for expiration before August 1, 1998 under prior law will be sent a modified annual report (similar to the previous renewal application). Facilities will be expected to update this report and return it to the Bureau within specified timelines. Upon return of the required report, the facility will be sent a nonexpiring license.

On August 1, 1998, the Bureau will implement statewide annual reporting and collection of licensing fees for nursing homes. To bring **all** regular licensed nursing homes into one reporting period, the Bureau will send each facility an annual report for the period October 1, 1998 to September 30, 1999. This report should be updated, as needed, and returned to the Bureau.

Also included in this mailing will be the facility's individualized licensing fee notice, a facility biennial report, and a Residents' Rights Report. The licensing fee notice will no longer be printed on a yellow 3x6 card. The new notice will be printed on a full-size sheet of paper, a portion of which must be detached and returned to the Department with payment. The facility biennial report, which summarizes the

facility's past 2-year compliance record, must be posted in the facility to comply with s. 50.04(3)(d), Wis. Stats. The Residents' Rights Report must be completed and returned to the Bureau.

Upon the return of a facility's annual report, the Residents' Rights Report, and confirmation of fee payment, the Bureau will issue the facility a new nonexpiring license. This license will replace the one currently on display in the facility and will remain in effect until such time as it is revoked, suspended, amended, or if a change of ownership occurs.

Hospitals

A new provision created by 1997 Wisconsin Act 27 establishes created an annual reporting requirement for hospitals. Under s. 50.355, Wis. Stats., every twelve months, on a schedule determined by the Department, an approved hospital is required to submit an annual report with payment of its annual fee.

On August 1, 1998 and annually thereafter, the Bureau will distribute to all approved hospitals an annual report form and a fee notice. This report must be completed and returned to the Bureau along with payment of fees. The Bureau is currently developing this annual report, which will be used to update the Department's provider records and capture changes made in service delivery to patients. Failure by a hospital to complete the report and return it with its fee within the prescribed schedule may result in revocation of the certificate of approval.

The fee notice will no longer be printed on a yellow 3x6 card. The new notice will be printed on a full-size sheet of paper, a portion of which must be detached and returned to the Department with payment.

Since hospitals have historically had nonexpiring certificates of approval, there are no plans within the Bureau to reissue existing certificates of approval. Following the August statewide notice to all hospitals, the Bureau will validate the return of annual reports and fees. Only those providers who fail to return their report and appropriate fee will receive further notice from the Bureau.

Home Health Agencies

The revised s. 50.49(6)(b), Wis. Stats, states that a home health agency license is valid until suspended or revoked. Every twelve months, on a schedule determined by the Department, a licensed agency is required to submit an annual report, including payment of its annual licensing fee, to the Department.

In April 1998, the Bureau of Quality Assurance implemented statewide annual reporting and collection of licensure fees for home health agencies. This report is similar to the report used in the former renewal process. Minor changes were made to the report to reflect current statutes, but the information and data requested should be familiar to most agencies. Plans are underway to design a new report for implementation next year.

Following a review of the annual report and verification of appropriate fee payments, the Bureau will issue each home health agency a nonexpiring license. This license will remain in effect unless suspended, revoked, amended, or a change of ownership occurs. The agency should replace its existing license with this new license and have it openly displayed within the agency.

Hospices

The revised s. 50.93(2)(a), Wis., Stats., states that a regular hospice license is valid until suspended or revoked. Every 12 months, on a schedule determined by the Department, each hospice will be required to

submit an annual report along with its annual licensing fee. Failure of a hospice to return the annual report and fee may subject the hospice to license revocation.

Between April and August 1998, providers with an existing license scheduled for expiration under previous renewal legislation will be asked to submit to the Department a modified annual report and a prorated licensing fee. This prorated fee will be based on the existing expiration date on the license through the month of September 1998. Upon review of the returned report and verification of appropriate fee payment, these agencies will be issued nonexpiring license.

On August 1, 1998, the Bureau will implement statewide annual reporting and collection of licensure fees for all hospices. To bring **all** providers into one reporting period, the Bureau will send each provider an annual report that covers the period of October 1, 1998 through September 30, 1999. Each hospice will be asked to complete this report and return it to the Department along with its annual licensing fee. Fees collected will be for the reporting period beginning October 1, 1998 through September 30, 1999. The Department will review all reports, update facility records and verify the appropriate payment of fees. Following this process, all hospice providers will receive a nonexpiring license. This license will remain in effect until suspended, revoked, amended, or if a change of ownership occurs.

Community Based Residential Facilities

The revised s. 50.03(4)(c)1, Wis. Stats., allows a CBRF license to be valid until revoked or suspended. Every 24 months, on a schedule determined by the Department, all CBRFs will be required to submit a biennial report along with their biennial licensing fee. Failure by a CBRF to submit this report and fee in accordance with the schedule specified by the Department may subject the CBRF to license revocation.

To transition to the nonexpiring license process, beginning in June 1998, the Department will request that a percentage of CBRFs submit an annual report (similar to the previous renewal application) and fee rather than the biennial report and fee. The licensing fee for one year will be \$85.00 plus \$11 per resident, based on the number of residents the facility is licensed to serve. Facilities will be expected to update the annual report and return it to the Bureau of Quality Assurance Regional Office within established timelines. The facility will be sent a nonexpiring license. The license will reflect the date of issuance. In 1999, these facilities will be asked to submit a biennial report and fee. Included in the 1999 mailing will be the facility's licensing fee notice, a facility annual report, and a Resident's Rights Report as required by s. 50.09(6)(d), Wis. Stats. This requirement states:

"The facility shall attach a statement, which summarizes complaints or allegations of violations of rights established under this section, to the report required under s. 50.03(4)(c)1. or 2. The statement shall contain the date of the complaint or allegation, the name of the persons involved, the disposition of the matter and the date of disposition. The department shall consider the statement in reviewing the report."

All other CBRFs with an existing license scheduled for expiration under prior law will be sent a modified biennial report (similar to the previous renewal application) in June 1998. These CBRFs will be expected to update this report and return it to the appropriate Regional Office within the timelines established by the Department. Included in this mailing will be the facility's licensing fee notice, a facility biennial report, and the Residents' Rights Report required by s. 50.09(6)(d), Wis. Stats.

Upon the return of all annual/biennial reports and confirmation of fee payments, the Bureau will issue each CBRF a new nonexpiring license. This license should replace the license currently on display and will remain in effect until such time as it is revoked, suspended, amended, or if a change of ownership occurs.

Adult Family Homes

The revised s. 50.033(2), Wis. Stats., states that an Adult Family Home (AFH) license remains valid until revoked. Every 24 months, on a schedule determined by the Department, all AFHs will be required to submit a biennial report along with their biennial licensing fee. Failure by an AFH to submit this report and fee in accordance with the schedule determined may subject the AFH to license revocation.

Beginning in June 1998, AFHs with an existing license scheduled for expiration under prior law will be sent a modified biennial report (similar to the previous renewal application) and fee notice. Facilities will be expected to update this report and return it to the Department within timelines established by the Department. Upon completion of the Department's review and update of AFH records, the facility will be sent a nonexpiring license. The license will reflect the original date of licensure for the licensee. This license should replace the license currently on display in the AFH and will remain in effect until such time as it is revoked, suspended, amended, or if a change of ownership occurs.

If you have any questions regarding the information contained in this memorandum, please feel free to contact the following individuals.

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